GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2415
ANSWERED ON:07.12.2006
INVESTMENT IN GAS SECTOR
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Petroleum and Natural Gas Ministry`s sub-group on natural gas has projected a Rs.40,000 crore investment in the gas sector besides a five fold increase in imports of LNGs to 25 million tonne per annum from the existing 5-6 mtpa;

(b) if so, whether a sharp increase in the domestic gas supplies has also been projected during the Eleventh Five Year Plan period from 70.54 mmscmd in 2007-08 to 192 mmscmd by 2011-12;

(c) if so, the details of the projects that will be undertaken; and

(d) the extent to which it will be helpful to meet the demand of gas in the country itself?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) The report of the Sub-Group on Natural Gas has projected an investment of about Rs. 40000 crores in the Natural Gas Sector during the XIth Plan Period (2007-12), covering LNG terminals, Inter-State Gas Transmission Pipelines and City Gas Distribution Pipelines.

The LNG import is projected to increase to 23.75 million tonnes per annum (MMTPA), equivalent to around 83 million standard cubic metres per day (MMSCMD).

(b) The report states that while the domestic supplies from the existing fields of ONGC would show a decline, the gas supply from KG basin would see a significant increase. On the basis of supplies presently certified by Directorate General of Hydrocarbons (DGH), the gas availability is likely to go up to 98.3 MMSCMD by the year 2011-12. This is based on gas supply of 40MMSCMD from RIL`s offshore blocks in the K.G. Basin. However, RIL has projected production beyond this level, though it has yet to be certified by DGH. Similarly, GSPCL`s production has yet to be certified by DGH.

(c) The E&P projects in progress in the KG basin, which are expected to start production from 2008-09 onwards, are RIL D6 field and GSPCL field. In addition to E&P projects, the capacity of Dahej LNG Terminal is being expanded from 5 MMTPA to 10 MMTPA. The 5 MMTPA Dabhol LNG Terminal would be fully operational in 2009. Also the 2.5 MMTPA Kochi LNG Terminal, with provision of expansion of 5 MMTPA, would be commissioned by 2010. The total LNG capacity is projected to increase to 23.75 MMTPA (83 MMSCMD).

(d) Given the status and progress of the domestic and import projects, the supply is expected to increase significantly during the XIth plan and would, to a great extent, bridge the gap between demand and supply.